

Middleton Electric Light Commission
Meeting Minutes
April 25, 2018

The following individuals were in attendance:

Chuck Clinch, Acting Chairman
Tim Houten
Jim Kelley
Jim Carbone
Michael Cloutier, Manager
Absent: Frank Twiss

Acting Chairman Clinch called the meeting to order at 5:01 PM.

Approval of Agenda:

Motion:

Jim Kelley motioned to approve agenda as written. Tim Houten seconded motion. Motion carried 4-0

Approval of Minutes:

Tim Houten motioned to approve the minutes of March 21, 2018 as written. Jim Carbone seconded motion. Motion carried 3-0.

Non-Union Personnel Negotiations:

Attendees: Kenny, Chuck, Bernie, TJ, Robbie, Jeramie, Adam and Mike.

Mr. Clinch recused himself from any input. Employees met with Commissioners to discuss negotiations for new contract. Mr. Cloutier stated that as Mr. Twiss was not present, the men were made aware that a decision may not be made tonight. Mr. Houten suggested we hear from the men and a decision could be made at the next meeting. Kenny stated that they have never had a written work agreement but Mr. Cloutier wants to put one into effect for these and future negotiations. Accrued sick leave remains at 260 days. Mr. Houten questioned the Veteran's funeral day off. Mr. Cloutier will look into the Federal Bereavement Act for clarification. The following changes are requested:

1. Coffee break from two 15 minute breaks to one 30 minute break.
2. Bereavement leave from 1 to 2 days; for immediate family to up to 5 days.
3. Vacation leave carryover from 5 days to 10 days. This will be closely monitored.
4. Clothing allowance increase, add one annual prescription eyewear or safety glasses with a dollar cap.

5. Use current IRS rate for vehicle mileage reimbursement. Add annual vehicle stipend for the office manager and secretary clerk for use of personal vehicle for local errands.
6. Change standby to one flat rate whether regular or holiday standby. It would go from 12 hours to 14 hours for the remainder of 2018, 16 hours for 2019 and 18 hours for 2020. They would still get a compensational day for a holiday week.
7. The sick pay buyback and education policies would remain the same but would be added to the document.

Financial PPA:

Power supply overall cost for power in January was \$0.02 higher than 2017. January sales were higher than 2017. Overall, we were off about \$150K net income. This was the result of the purchase power cost. We spent \$1 mil this year and under \$800K last year. Interest income was steady in January but tanked in February with \$407K less. We have changed our investment strategy from the Legal List of 25 to 30 stocks to the Prudent Investor Rule. There will be a lot more room for diversity. Our cash position is near 2017.

For February, our power supply numbers were up. The YTD loss is \$403K due to the decrease in interest income and the more expensive power. These numbers are anticipated to get better in the future.

Manager's Report:

MEAM Conference in Plymouth, May 16th and 17th. Mr. Cloutier, Mr. Houten and Mr. Kelley will attend. It is an educational and networking meeting.

NEPPA Conference in Falmouth, August 19th to the 22nd. Mr. Cloutier, Mr. Kelley, Mr. Houten and Mr. Clinch will attend.

TJ and Mike topped out last week.

David is looking at lease vehicles.

Solar Project:

23% of the panels are installed. We have set some poles but we hit some ledge for the final two poles. We have talked to them about the witness test. They are looking to be online by June 13th. We are not getting anywhere on the battery. We may need to look at another model for revenue sharing. Tim Flynn has come up with some ideas where we could invest some money. They would still get the 30% tax credit but we will be able to share in more of the revenue. Mr. Cloutier is confident we will get a better deal than what is on the table. The solar will help with our peak depending on when it happens. Mr. Cloutier is looking to have one generator on the circuit we do not have on solar. Subscriptions for the solar project need to be worked on. A notice was added to the monthly electric bills and that should spark some interest.

Budget:

No surprises in the budget. It is similar to last year. Mutual aid revenue jacked up our income. Purchased power was down in 2017 from budgeted amount. The budgeted maintenance of overhead lines was down. This was due to more capital projects and the fact that we were on mutual aid for two months. The 2018 net income is budgeted at \$960K. We will need to catch up on our interest income to make the 2018 budget of \$200K. We are currently at a loss of \$275,649.24. The power supply was budgeted \$50K less than 2017. Our expenses are going to be higher and our income lower than 2017. The Land, Land Rights \$60K is to clear up the purchase of the Gregory Street parcel. The Transportation amount of \$75K is for the rack truck already purchased.

Motion:

Mr. Kelley made the motion to accept the budget as presented. Mr. Houten seconded the motion. Motion carried 4-0.

Manager's Review:

Mr. Cloutier not comfortable with presenting a contract at this time. It will be delayed until a future meeting.

Insurance policy cannot be offered for less than 15 years. The annual premium is \$18,690.00. Mr. Houten questioned the purpose of whole life as we could get a term policy for a lot less money. Mr. Cloutier will work on a structure for term insurance and some money into a 457 B or K.

Commissioners signed the Annual Report for the Department of Public Utilities of Massachusetts.

Next meeting May 24, 2018.

Mr. Houten motioned to adjourn at 6:25PM. Mr. Kelley seconded motion.

Respectfully submitted,

James Carbone
Clerk